

Wednesday, April 13, 2022

Capital Planning

Agenda

7:30 PM Call to Order

Minutes of Previous Meetings

7:35 PM Sustainable Stow – GHG / Climate Change Petition Community Preservation Committee

7:45 PM FY23 CPA Funded Projects Review and Recommendations

8:15 PM FY23 Capital Requests and Capital Projects

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- Other Business

- Adjourn

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Call to Order

Committee: Steve Jelinek, Ed DeLuca, Dave Arsenault, Peter McManus, Missy Reed (non-voting)

Others Attending: Denise Dembkoski, Kathleen Fisher, Kathleen Pavelchek, Charlie Aaronson, Lisa Lavina, Vin Antil

Minutes from Previous Meetings:

None

Sustainable Stow

Not ready as the article will not be on the ATM.

Plan to bring the petition forward.

Jelinek - Have asked that they come to Capital Planning prepared to discuss the cost impact of the suggested changes.

Dembkoski - They are working with the Green Advisor committee is working on a binding policy on sustainability.

Jelinek - They mentioned that we don't know state contributions. For a binding resolution the cost impact depends on the availability of State contributions.

Dembkoski - There are green funds available, Arnie Epstein has been applying for grants for years. There are new grant opportunities in the governor's budget. The state energy stretch goals will be imposing requirements in the near future.

7:45pm CPA Funded Projects

Dembkoski - FinCom did not support the \$50K request from the THR committee to CPC.

Jelinek - Big items for \$1M for Library and 1.1M for affordable housing

Antil

\$1M Lib - is the historic portion of the library for this part of a ~\$8M, as long as it fits the scope of CPA, it was approved unanimously.

We have spent money on historic work before, this will not undo that work it will allow a new entry way, maybe can use parking at fire station, allow for a desk in the old section. Enough staffing to support a 2nd entrance. Not sure that reading material will be add to the old section the stacks and books will be in the new area.

Dembkoski - Slanted window will be removed funds will be used to bring the historic potion up to code & ADA compliant.

Jelinek - Conceptual plans are done?

Dembkoski - Yes just a basic design, but there is layout of all the rooms is done.

Jelinek- Previous studies have shown that books can't be put on the upstairs of the old section.

Antil Moving the circulation desk up there maximizes the use of space

Dembkoski - New addition will have additional space for books.

DeLuca - If you don't have design documents why do you believe that \$1M is appropriate for the work? What is the margin you are carrying? This is not the way we have funded buildings in the past.

Dembkoski - Based on the conceptual design there will be well more than \$1M in historical renovation required. More funding could have been asked for. The approach is taken because in Calendar 2023, we expect that high school building project to be up for consideration by the town. Waiting to do it in phases would put the project at risk if the full funding is competing with a tens of millions of dollars high school project.

DeLuca - If once the construction documents are produced exceeds the amount voted at ATM, then the project will be descoped?

Dembkoski - The cost will not exceed \$8.85M figure, The number includes inflation estimates and margin. Also, it is important to remember that the debt exclusion will be lower because there are substantial contributions from sources outside of the tax dollars.

Jelinek - What is the \$8.85M number I thought it was \$8.6M

Dembkoski - \$8.85M is the ceiling of the projects that were proposed. \$8.85M is what will be in the warrant. CPC will contribute \$1M and there are \$900K in external contributions. An additional fund raising campaign is on going, those funds will reduce the town contributions. There are additional funds that are available to apply to the project should it pass at ATM. In the warrant articles following the Library article.

Affordable housing Red Acre Road , \$1,1M

To line up a builder, they need to see that there are funds available. It will get the ball rolling and go into the design and planning. It is a priority, there has not been opposition from the neighborhood. Smaller footprint than a regular housing project. Felt it was a priority for CPC.

Number of Units? Up to 6 units. The number of buildings is not known.
It is not yet designed. This will be the total CPC contribution to the project.

CPC took a similar approach with the the Sudbury road project.

SMAART is the applicant and will be in charge of the project.

Reed - what is the \$1.1M going to be used for?
\$1.1M is for the moment forward, design and planning, some construction.
Is the space utility ready - yes there was a house on the site.

DA - we will get back any funds - no

Reed - everything above the \$1.1M will be covered elsewhere.

Dembkoski - the funding will not be spent unless there is a developer willing to build the houses.

Reed - There is guidance and direction about the number of affordable units? Where are we with respect to the state goal?

Dembkoski - we should be at 10%, we are at 7-8% - we expect to get to 11% with Plantation-2, Stow Acres and Athens Lane projects. At that point we will no longer need to approve 40B developments.

Antil - This project will likely be completed before the Stow Acres will come on line, and will show that we are making progress under safe harbor provisions.

Athens Lane has ~140 units, Stow Acres is ~165 units, Plantation 2 is ~80 units.

Antil - Teaming open space protection with affordable housing is a good approach. People at not anti-affordable housing they are anti-big developed. Other places have less benefit to the neighbor, they are not securing open space in addition to the units.

McManus - This will only cover a portion of the project, what is the expected cost per unit? We don't know yet the cost per unit.

Antil - The money is not moving to SMAART until there is invoice. It could be used for the plans, there are no constraints on the project.

Town Hall Renovation - \$50K set aside for panning / further design work for the Town Hall.

There was not support for the \$4.8M. Step to looking for the use issue and consensus. There could be a time after the Joint Boards meeting. The applicant for the article is the town admin.

Dembkoski - Not sure how the funds would be used the a different direction or a different architect. The FinCom voted no, the Select Board has not yet voted. Not sure is the Town Hall committee is going forward. If we want to make progress then there are funds available if needed.

DeLuca - The project is expensive, that created a lot of other issues. If the cost were say \$2.5M dollars, the conversations would be different. At the current price a lot of questions get raised. The process of getting to the current cost of \$4.8M was the result of logical and reasonable

decisions. If you are using CPC Historical funds then you must do a historical renovation. If you choose not to use CPC funds, then you will have options of doing less expensive things.

Jelinek - The \$50K fund what would it be used for in your opinion?

DeLuca - The funds will be useful to have at the conclusion of a Joint Boards meeting. Coming out of that meeting there may be studies that are needed to understand the best way to proceed with the project.

Dembkoski - Using just the main floor as an example of costs, cost to bring it up to code. Folks want to see options. The existing plans to look at reasonable.

At the FinCon meeting they felt that there was no urgency, a majority of the FinCom board does not support the project at all. They want to see other options and better plans before they get on board.

McManus - CPC funds would imply bonding the project, if there is no realistic funding source. If you are not going to bond the project why are we considering additional funding.

Antil - CPC didn't make a separate vote on bonding. The CPC vote was specific to this project. The level of funding at \$4.8M was not tenable. CPA money has been spent down on a number of projects, the remaining funds are not available so we would need to bond the full amount.

Reed - There is only so much the town can absorb, there are a lot of projects. Love the project, glad that there is a \$50K placeholder. We can only support so much right now.

McManus - We spent the money wisely, and put together the best deal we have seen. We are out of money for a while.

DeLuca - Fond of the bonding but there was a lot push back. Benefit would require a 2/3 vote at the ATM, so you could not go forward with out it.

McManus - The only rational for bonding is getting ahead of the cost curve. Now is not a reasonable time to do this. Let the cash build up at CPC. It is a lot of burden on CPC, other contributions will help. Wait a little while.

Antil - Through the next year is the project comes back less expensive, bring to code and nothing more and come in at. Time slips away quickly serious talk about an alternative project it give us options. It is not too soon to set aside \$50K to give us options.

McManus - Does the use CPC funds restrict the use of other funds later?

Antil - No - we the committee to look at our finances going forward and ask what could we can afford. We need demonstrated support form the community. We don't have a problem bonding CPA funds, the vote was just related to that project.

McManus - Bonding small amounts doesn't help much. You are brining in about \$1M/year or you can just wait a year or two. Why is it just on CPC, can it be found somewhere else. Bonding is getting ahead of cost argument. If inflation is high, it is the wrong time.

FY23 Capital Requests and Capital Projects Votes

Ten projects to discuss -

Six regular capital items and then others

- (1) Police interceptor hybrid. - Looks like a good number. Dembkoski - article will be for a higher number \$48,750, not sure when the rebate will come in, \$43K from free cash is expected. **Motion Arsenault accept the \$48,750 with the rebate in mind to bring the number down to \$43K, 2nd McManus. Vote unanimous by voice vote.**
- (2) Hale gym floor \$19,750 - It has been a few years since it has been done. **Motion Arsenault to approve the amount \$19,750. 2nd DeLuca, Vote passed by voice vote 3 yes - Jelinek voted no.** Hartley road ARPA funds. \$413K of ARPA funds can be reallocated, Boiler and PFASS problems.
- (3) Highway Dump Truck for \$300K - expensive and take a long time to arrive. On the schedule for a number of years, this is in the plans. Was on the previous plans as well . **Motion Arsenault, 2nd DeLuca, Vote passed unanimous by voice vote.**
- (4) Highway Barn feasibility study - \$100K - the scope of the project, is the location elsewhere feasible, there is quote for the study. Engineering work is not required to be put out to bid. **Motion McManus recommend approval, 2nd DeLuca. Passed by voice vote 3 yes, Arsenault no all others yes**
- (5) Farm Road - resurfacing and curbing - has been on the lists for a long while. \$55K, usually they came in a \$30K previous ones in the \$25K range, this is also a fairly large project. Cost are high. **Motion to approve Arsenault - 2nd McManus - Vote passed unanimously by voice vote.**
- (6) Lake Boon Dam - \$300K - Hope to obtain \$1M grant in repairs. This would allow us to do survey and stabilization work and work with abutter if we don't get the grant. Construction will start next year. ARPA funds will do additional testing inspections. Install sheets inside the dam to stabilize the dam and strengthen it. Some emergency repair work has been done. The total cost estimate is \$4.5M. Can phase the project when it is stabilized. May apply in the 2nd year and there may be other grants from the State. **Motion DeLuca, 2nd McManus - Vote is unanimous by voice.**

CPC

1. Library project as a whole - Warrant article #44 \$8,855K includes the funding from other sources and CPC. \$4.2M to bring it up to code. Construction start in ~1yr. Project has been around the for a long time, fund raising has been useful to keep it support. **Motion Arsenault - 2nd DeLuca, Passed by unanimous by voice vote.**
2. Red Acre Road - \$1.1M affordable housing project. **Motion Arsenault 2nd Deluca, passed unanimous by voice vote.**
3. Town Hall Renovation \$50K expended under the direction of the Town Administrator - **Motion to support DeLuca, 2nd McManus Voice vote - DeLuca yes, 3- no does not pass.**

Presentations at town meeting

- Arsenault - Police interceptor; Highway Dump Truck
- McManus - CPC Library; CPC Red Acre Road
- DeLuca - Highway barn study; Town Hall Renovation
- Reed - Hale gym floor
- Jelinek - Farm road; Boon dam design work

Article #48 a capital stabilization fund - \$75k for future use, a saving account for future captivate items. Can also be used for debt service on capital.

9:36PM - Motion to adjourn DeLuca 2nd McManus. Passed unanimous by voice vote.

Respectfully submitted,

Edward DeLuca

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